

**Herkimer County Legislature
County Properties, Human Resources and Ways & Means
Committee Meeting
Friday, January 15, 2021
Via Zoom
Follows Administration/Veterans' Affairs and Ways & Means**

Persons Attending:

Raymond Johnson (Chairman, County Properties, W&M committee member)
Mark Gaworecki (County Properties/Human Resources committee member)
William E. Keeler, Sr. (County Properties committee member)
William Weakley (County Properties committee member)
Robert J. Schrader (County Properties/Human Resources committee member)
Ray Donley (County Properties committee member)
Frederick J. Shaw, Jr. (Chairman, Human Resources/W&M committee member)
Raymond Smith (Human Resources/Ways & Means committee member)
Peter F. Manno (Human Resources committee member)
Gregory Malta, Sr. (Human Resources committee member)
Patrick E. Russell (Ways & Means Committee Chairman)
Kurt J. Ackerman (W&M committee member)
John P. Stephens (W&M committee member)
Vincent J. Bono, Chairman of the Legislature
James W. Wallace, Jr., County Administrator
Brandy Serow, Sec. to County Administrator
Lorraine Lewandrowski, County Attorney
Sheri Ferdula, Budget Officer
Steve Billings, Personnel Officer
Christina Cain, Director of Public Health
Tim Seymour, Commissioner of Social Services

(Non Committee Members Signed In)

Legislator Bob D. Hollum
Legislator John L. Brezinski
Legislator Peter Campione

Absent:

N/A

Mr. Johnson called the County Properties committee to order and Mr. Shaw called the Human Resources committee to order at 9:59 a.m.

Items Discussed:

COUNTY PROPERTIES, HUMAN RESOURCES AND WAYS & MEANS:

1. Daycare – request to move forward
2. Other

COUNTY PROPERTIES:

3. Duofold tax issue
4. Other

Committee Vote Record:

COUNTY PROPERTIES, HUMAN RESOURCES AND WAYS & MEANS:

Mr. Johnson: "Number one is Daycare."

Jim Wallace: "There will be three of us; myself, Christina and Tim. They are on the phone as well. I think everybody knows we have been working on, Mr. Peplinski had brought this idea up to the Legislature two or three years ago, Christina has been working very hard on it and Tim and I have helped on the finance side of it. What we are interested in doing is purchasing the Bruce Ward building on Prospect Street. We would own the building. We would lease the operation for a dollar to the Neighborhood Center. We are fortunate that the College has saved all of their equipment so that will be an in-kind service. We have a grant from ESD to pay for 20%. We are working with the Community Foundation, Tim, myself and Christina. Sandy met with them last week. They are 100% in favor of what's going to happen. Properties, Sheri is working with us to put out an RFP for an architect. Again, I'm looking at the capital side and I will speak to the capital side and then Tim and Christina will talk about the operations on the daycare side. I'm looking at about \$300,000 that would cover all of our closing expenses, architecture expenses, any new renovations we need to do and between the Community Foundation and Empire State Development we believe we have that all covered. I would be happy to answer any questions on the capital side before I turn it over to Tim and Christina to talk about the operations side."

Mr. Schrader: "Mr. Chairman, Jim, what building is this on Prospect Street?"

Jim Wallace: "It's the old bank there Bob. Bruce Ward's offices."

Mr. Schrader: "How many people, how many children will we be able to accommodate over there?"

Jim Wallace: "Yes. Christina will get into that Bob for us as far as the infants, the preschool and the toddlers. She will go through all of that for us. I just wanted to talk about the capital side right now. Maybe we can hold all of the questions until the end. Maybe Tim and Christina will cover some of the stuff the guys are thinking of."

Mr. Johnson: "That's good Jim. Go ahead then."

Jim Wallace: "Tim or Christina, do you want to jump in?"

Christina Cain: "Where would you like me to start gentlemen?"

Jim Wallace: "I think if you could just let them know what will happen, how many kids, where the State sits on this, getting authority from the State, that kind of stuff."

Christina Cain: "Ok. Just a broad sentence on foundational knowledge here, obviously I would think that at this point everybody is fairly aware that there is a dearth of childcare services in Herkimer County and the population of providers we've had, whether it be center base or home based childcare providers has been in a decline for many years now. Obviously as we look forward towards really making big investments in trying to revitalize and really strengthen our economy, our little business structure, having places for those workers who are going to be at those businesses to take their kids in order for them to attend work is going to be hugely important. This has a multitude of layers, of benefits, not just for the families and the children of Herkimer County, but for the business end of things. That being said, there are needs, assessments have been done that demonstrate how much need we have. This center, in and of itself would hit a very target population. Infant slots are one of the most prized possessions in our County because there are virtually none. Taking care of tiny babies has the least cost benefit to some of these centers so it is the most needed and there are some creative ways that the Neighborhood Center and Tim

and Jim and I have really talked about trying to offset that. So, this center would have an infant classroom comprised of eight infant slots which is a huge benefit. There would be room for ten toddlers, fifteen preschoolers and then ten to twenty after school children as well. School aged children. That's about fifty-three overall which is a dent for sure and a needed dent."

Jim Wallace: "Tim, do you want to take the budget?"

Tim Seymour: "Sure. Let me start this by saying this is our preliminary budget number ten. At least number ten because we have been at this for a while. So the Neighborhood Center has been identified as the person who will provide the services at the building and the idea in a childcare center is not to make money, but to break even. That needs to be said in advance. Let's look at the operating costs. The operating costs are about \$334,000 rounding up a few dollars. The revenues were built two different ways, one on 85% enrollment and one on 100% enrollment. Ideally, you know 100% enrollment is obtained seldom so we had to get a spectrum there to look at. Revenues for the 85% enrollment, which is about forty-five children, are about \$360,000, revenues for the full capacity of fifty-three children is about \$423,000. So the bottom line for 85% enrollment is this program would be \$32,000 to the good which is positive and of course with the 100% enrollment you are at about \$96,000 to the good and that does include a \$6,000 office rental space revenue. So that's where we are on that and that is as of this morning. I just got a new budget this morning and I spoke with Patrice at the Neighborhood Center. So what else does come into play in this budget that's not seen in those numbers? Some important opportunities for the community and, I feel, some important revenue opportunities for sustaining this thing. So number one would be, you all are familiar with that Herkimer County has closed their children's mental health clinic not so long ago. Great loss to me as DSS Commissioner but also to the community that use that. The Neighborhood Center has proposed operating the children's mental health clinic out of that facility which would be fantastic for us. We also have some opportunities to maximize federal revenue through DSS through the flex fund that we are already using, just kind of shifting them for some programming and rental opportunities in the building. It looks like the way it is designed the capacity is there. Something that is out on the fringe a little bit but we have been talking a little bit about what contribution can that \$5 million dollar System of Care grant provide for us? Now and in the future for this thing and making those linkages could be very important. I have brought it up, I will bring it up again. I think we have some real potential there. Also, another thing I haven't talked about much but I do have approval from the Office of Children and Family Services that I am already charging directly, the cost of our daycare working and fringe directly to the Childcare Block grant and we can kind of merge that over there as an office space opportunity. Wonderful thing and I got that approval. We are good there. And then lastly and less important but super important as far as children are concerned, we have an opportunity to, there is a program that the USDA has. It's called Child and Adult Food Care Program whereby a daycare center, qualified daycare center can get reimbursement and it's based on their enrollment and attendance and that type of thing. In a situation like this it could be up to \$30,000 a year for that reimbursement. I think that's a wonderful thing we certainly have talked about. It's not built into the budget, but it is certainly something that we would build into the budget and it just gives us a great nest egg just to think about in the future. So those are the generally thoughts behind the budget. Again, I said it's number ten, it's probably number fifteen. Jim can attest to that."

Jim Wallace: "I will agree with you."

Tim Seymour: "Any questions?"

Mr. Bono: "My question is the impact, certainly going to be a great impact but define the impact, Christina gave those numbers, ten, fifteen, ten and twenty, so that's potentially forty-five children but we are really impacting the parents that are able to go to work in this situation. So if it's forty-five that's up to ninety individuals that will be going back to work or are able to work. I should say not going back so that

is a great impact in our community. In order to apply for this, is there a threshold, and I don't want to say the client because child is not really the client, the parent is the client here I guess. Is there a threshold limit to apply for the service? I would want this to be used by somebody that is able to afford it obviously whether it be middle class, upper class or whoever this is certainly for someone who is restricted on their income levels, correct?"

Tim Seymour: "I don't think completely, no. We do want low income daycare because that is a steady source of income and low income daycare could or could not be eligible for the Childcare Block grant it certainly is a revenue source they can consider but yes, other folks would be eligible for this too. And it's important to have that nice mix."

Christina Cain: "Yes, I would agree with what Tim is saying. I think it's really important to remember too, when we look at this, because childcare is such a delicate balancing act in being able to really make the finances work and be stable, the cost of caring for a child for a day is the cost of caring for a child for a day. You can't really change that so the best that we can do is open up these slots to everyone and for those folks who might have trouble being able to afford it, that's where Tim and his childcare funding can come into play to help kind of offset that deficit that they might not be able to bring to the table. So at the end of the day the facility itself will still end up whole for each one of those slots because if we don't do that it will sink right away."

Mr. Ackerman: "Can someone just clarify where the building is please?"

Jim Wallace: "It's kind of kitty corner to the post office, Kurt. Remember the old Prospect Inn?"

Mr. Ackerman: "Yes."

Jim Wallace: "It's kind of right across the street from there. Probably, what three or four houses guys from Marc Butlers old office?"

Mr. Schrader: "It's two up from Macri's Office."

Mr. Ackerman: "Does it have enough yard and everything for all of this?"

Jim Wallace: "Yes."

Christina Cain: "That facility was actually chosen for a whole host of very unique reasons. One of which being the fact that it used to be a drive through bank so being able to pick up and drop off, just having that direct drive through from the street is going to be wonderful for childcare. It does have just the right amount of land attached to it. I think Mr. Ward right now has like a nice little shed slash garage in the back with some stuff that he is going to be taking with him so that will free up space there. There is definitely enough space for the two allotted playgrounds that are needed and things of that nature. Parking for the staff, those are all accounted for. I really just want to circle back to and just say that the people who have been working on this project have been so creative and I am so grateful because that is exactly what was needed to make something like this feasible and even linking in the College. You know, their child center closed a few years ago now and that was a huge hit to the community. They have been partners in this and we were actually able to offset some of the personnel costs for teacher's assistants in the daycare center by weaving in the students up at the College who are going through their early childhood education courses so has been a lot of very very unique thinking in this budget. When I think about this project, though I am really focused on making sure that we can make this very sustainable and sell it for the first few years, I am also just stymied by the creativity that's been infused into this and see

that if we can move ahead with this I think that we have a lot of potential in the future to expand or weave in other populations. I'm very excited if you can't tell."

Jim Wallace: "Guys, just so you know and I think I have talked a little bit to Freddy and Ray, Pat and Jimmy, we believe that daycare centers are closing all over Upstate New York. We truly believe because of the creativity that Christina just talked about, that this will survive at minimum five years. We figure we can't go past five years but we believe operationally we are good for five years, also with the capital side too. We wouldn't be coming to you if we thought this would be a burden to anyone. We really believe, and I will put that on myself that we believe we can make this work."

Mr. Ackerman: "In the beginning of this when you gave us some numbers and the funding and all of that, I couldn't hear, could you just go through that for me real quick?"

Jim Wallace: "The capital side Kurt?"

Mr. Ackerman: "Yes like where is the funding coming from, etc.? How are we competing with some local people that are doing daycare for pricing and how is that going to impact them?"

Jim Wallace: "I can't talk to that but I can talk on the capital side. Tim and Christina can talk about what we are charging people as part of their operational budget for the Neighborhood Center. So we have a grant secured, Kurt, right now between purchasing the building, all of the closing costs, hiring an architect, doing the renovations that we need, Christina has had people from the State come through and they like the facility. There are some minor things we would have to do. I'm looking at about \$195,000 for the building, I'm looking for about \$15,000 for an architect and I'm looking for about \$90,000, which I think is very conservative, which means high, for renovations. We have the ESD grant; we have a commitment from the Community Foundation basically to fill our hole. I will be getting the paperwork to them once we get off of this phone call and I believe they have set some money aside for us to work with them to make this happen. They also, Tim's talked about the actual budget also in our last discussion the other night. They mentioned they could probably come up with \$10,000 to \$15,000 of operating costs every year which just makes us that little more comfortable to pay for supplies and small equipment and that kind of stuff for the center. Does that answer your question?"

Kurt Ackerman: "Yes. I was just curious where all of that was coming from. So we are going to be running this correct, the County?"

Jim Wallace: "No, the Neighborhood Center. We will lease it to them for a dollar to run it. Centers are dying, Kurt, all over Upstate New York and unfortunately the College, Christina mentioned that had to back away from it a couple years ago. There is no way we could, without our structure, could we operate a center like this. That's why we reached out to the Neighborhood Center who does daycare on a regular basis and Sandy and Patrice have been wonderful to work with. They would be operating the facility."

Mr. Shaw: "After the five years do you think there will be more State and Federal funding available, if that exceeds five years?"

Jim Wallace: "I really can't speak to it Fred. The next year or two are going to be huge. Our Governor is still talking about a \$60 billion dollar deficit over the next couple of years. That's why to try and go out past five years, I think for us, we thought was crazy. We also think if it works it will show it's worth to people too. We will have a chance for it to either survive and thrive or hopefully that's what's going to happen. The problem is past five years Fred, I just don't feel comfortable."

Mr. Shaw: "I'm just wondered if it's a successful operation at the end of five years, you would think the State and Federal would want to keep this program going. As far as the States position, they are going to get bailed out anyway."

Christina Cain: "I think just to kind of blend in additional perspectives to that, prior to COVID becoming the hot topic, we secured that ESD funding because one of the biggest pushes in the State was recognizing what a necessity supporting childcare was when the focus is on trying to revitalize the economy. The State was paying a lot of attention to getting into childcare and seeing what the challenges are, really making sure that these providers are able to survive whether it's a center or home based and really delving into maybe modifying policies that might make it more feasible for them to stay open, etc. I can only hope that that means that maybe in the future they will kind of revert back into looking at that and really helping these facilities to stay open and move forward."

Mr. Schrader: "Mr. Chairman, can I speak please?"

Mr. Johnson: "Bob, one second please. Bill, did you have a question?"

Mr. Weakley: "Quick question. I really like this idea. I think it's a great idea. I especially liked Christina's thing about the drive thru. I can imagine kids going up through those little tubes, but seriously, why did HCCC have to close their thing and are we going to be the same and have to close ours for some reason? Why did they close?"

Christina Cain: "No. So HCCC was a very unique animal in the fact that they were one of the last remaining community colleges that had daycare centers. It was because they really didn't believe in it. Unfortunately when the SUNY System established these or when the community colleges established their daycare centers they did it under the auspice of serving students and teachers first. So what would happen was priority slots were given to teachers who were maybe only teaching Wednesday and Friday. But to find a compliment to that, to fill that slot for Tuesday and Thursday wouldn't happen. It was just too complicated. So what would happen is those two days would go unfunded because they weren't charging for those two slots even though realistically, in a business model, whether your kid is there or not, if you are taking up an entire week's worth of slots you should be paying for an entire week. So they were really trying to do a good thing but as far as being business savvy with it, they were not. They also tried to keep their rates under market rate. Market rate is the rate set by State. The State tells you what the care of a child costs for a day and they were trying to charge less than that to help support their students. So they just were really not, they had such a phenomenal program, but on the business side, you know, they were trying to do good by their population and what the original intent of their facility was but as far as survival and this kind of economy and this kind of environment, it just couldn't happen."

Jim Wallace: "Plus benefits on the college side are 100% and on the Neighborhood Center they are 35%."

Christina Cain: "That's a last point of fact Mr. Weakley. Also, their physical building was smaller. So each child needs a certain amount of space. Their physical space actually wouldn't allow them to have the capacity that they could have had based on teacher student ratio. So even right from the get go they were not constrained."

Mr. Weakley: "Sounds good. I like it."

Mr. Johnson: "Mr. Schrader, did you have a question?"

Mr. Schrader: "Yes I do, I have a couple of them. First of all, Christina, when you are saying that the site for the building, I am very familiar with it, I used to deal with that bank for many years, you are saying

these numbers, are you figuring it, say if the Governor says we have to go 50%, because that is a pretty small building, did you guys figure in the whole COVID thing if this comes back again? Hopefully it never comes back again but, you know what I am saying? We don't know that. When Tim and Christina are saying they know how many people they are going to do, you know, projecting a budget, are they figuring in this whole 50% thing if this Governor comes in and says we can only do 50% enrollment."

Christina Cain: "So as of right now, the childcare facilities are operating under COVID rules as dictated by OCFS which are different than DOH. They are supposed to be working in concert but sometimes they don't align up exactly appropriately and being the fact that in order to get your essential workers to work, you need your daycare facilities to be open. The Governor has not put the same stringent restrictions on childcare facilities as they have schools and other agencies at this point so just anecdotally looking at it I don't think we purposely focused in on that but I think if we just look at the landscape as it stands now, you know again, I don't have a crystal ball but I don't foresee that necessarily being an over issue at this point."

Mr. Schrader: "I'm just concerned with, you know, if this takes off, we really don't have much room for expansion. Say if this does take off like we've talked, after five years we might want to expand it. There is nowhere to expand right there. I know the property very well."

Christina Cain: "So, Bruce Ward actually owns the building next door and said hey, you never know what the future might bring so there was conversation that leaves things very open ended. And honestly, based on what I have seen people come up with around this project already, I wouldn't be surprised that we couldn't come up with something if there was a need."

Mr. Wallace: "Hey Bob, myself and Jimmy and Tim and Christina have also talked about, and I think the Community Foundation thinks that this is a wonderful thing, we have 10,000 people going to Utica every day, there might be a need for another facility somewhere in Frankfort or Schuyler that we would look at also. But that's a long way down the road."

Mr. Schrader: "Can I finishing speaking Kurt? I still have two questions. So my point is, I'm not against this, don't get me wrong, I'm not against it, I'm just, there are questions that need to be answered for me to support something like this. Now the other question is, I think in the beginning of the conversation, Jim said the County would be purchasing this and leasing it to the Community Foundation. Not the Community Foundation, the Neighborhood Center for a dollar, now I am concerned with, being I represent the Village of Herkimer, and I represent the Town, this is another property that is going to be taken off of the tax rolls?"

Jim Wallace: "Correct."

Mr. Schrader: "So where does that figure in, did Tim figure in maybe a stipend to the village?"

Jim Wallace: "No. There is nothing there for them."

Mr. Schrader: "The Village of Herkimer supplies all of these facilities and a tax exempt thing and every other area gets the benefit from it. Maybe we should start keeping all of the sales tax that we generate through the village, and I'm not trying to be mean, I'm just saying everybody wants these features, these programs, I think we need to look at, because if you don't take care of the village, the village isn't going to be there and the town isn't going to be there so you may have a building but the roads aren't going to get taken care of, the water lines aren't going to be fixed, we need to look at a bigger picture than just keep taking property off of the tax rolls."

Mr. Johnson: "My response to that question is, this Herkimer Nine, are they going to have to pay a stipend to the Village for all of the tax property they are taking off of the tax roll?"

Mr. Schrader: "They are going to be under the tax roll. That was discussed at the meeting the other night, Ray. Every one of them are going to be paying a tax."

Christina Cain: "I completely get your point Mr. Schrader and that was definitely something that we did take into account, absolutely, so I'm not poopooing that at all. I think that is a valid concern and I understand and what I can say to that is well maybe there isn't a direct statement or reimbursement for utilization of a building that's coming off of the tax rolls, I think that, when we kind of started this whole project, we did a bunch of focus groups and the people were very much living in Herkimer, were saying that this is a huge concern for us, we can't find childcare and when we do, sometimes we end up driving to Little Falls and then back to Herkimer and then go to our job in Utica. They were making all of these additional travel expenses and time wasted and things like that and so we were trying to be cognizant of the fact that, while we might be seen as taking something a little bit away, we are trying to plug that hole as well and saying at least this is a centrally located area. So people without cars can access this. It's right off of the bus line. We really tried to be as accessible as possible to try and kind of offset what we knew might be seen as coming away. I don't know if that helps at all."

Mr. Schrader: "It does because the Neighborhood Center also has the Country Manor up there that is setting idle. That is also off of the tax roll. These are things that you have to look at. I mean we want to build buildings in other districts, give those districts revenue for taxes, for their tax base but I haven't seen anything being generated, and to Ray's thing, yes I am very much for the Nine to be paying taxes, Ray, because I don't think, although they are going to be generating income into the County sales tax wise, this isn't creating any sales tax. This is another feature that the whole area can use, not just the Village of Herkimer. I'm not saying it should be just the Village of Herkimer. We need to look at the bigger picture here as far as taxes."

Mr. Bono: "Bob, are you talking about a host community benefit that may be in line? And to set the record straight here, that Herkimer Nine project, a lot of that is tax exempt. It's not completely 100% taxable. A lot of it is green space, park space and STEM learning, which is probably going to be tax exempt and other things so to say it's going to be taxable, you are misleading people I think. That's what I have heard in all of the meetings that I have had. I'm not opposed to any type of stipend or host community benefit for the village, if you are talking about that."

Mr. Schrader: "You've got all of these kids, there Jimmy, and I like your idea on the host community thing, you have all of these children there, there is a paid fire department, they need the fire department to go over there, it's just like the College, how many times has the fire department run up to the College for a smoke alarm that they never followed the codes up there and make sure the right smoke alarm is in there, so now the truck has to go up there, all of the firemen have to go up there, yes they are paid, but they are not paid by...they are supposed to be giving a stipend or whatever or user fee and I think they are work that out from what I heard last that I knew."

Mr. Ackerman: "Well the College will give them a stipend but they never cash the check."

Mr. Schrader: "Right. Well, it was the wrong amount for what I was told and I was told that by Mr. Laino as well. Apparently they are working that out. I hope they do. All I am looking for is maybe like a user fee or something like that Jimmy to offset it a little bit. I just think we need to look at..."

Mr. Ackerman: "Do they give a user fee to the school too since we are going to be losing school taxes too? I'm asking. I'm not arguing. I understand your point because school taxes come out of that too."

Mr. Schrader: "I'm open for suggestions, Kurt."

Mr. Ackerman: "I guess my question would be do we look at all of the properties that we already own. One being the College, to revitalize that or possibly go down to where the ARC building is that already has a large playground. Can we access something out of that area that's already off of the tax roll and then we don't impact with the other building? I'm just asking. I'm not criticizing what you have."

Christina Cain: "Yup, nope and I think those are all really good ideas and I can tell you that we've basically chased down every single one of them. We've tried to work with the ARC building, we tried to look at co-locating with Foltbrook, we have looked at just about every partnership, scenario, hybrid program, anything. And in order to make this work financially because renting a childcare facility is a delicate thing if you want to make it succeed, this was the best that we have at this point. That's all I can say."

Mr. Johnson: "Mr. Gaworecki texted me. He has a question. Mark, are you still on?"

Mr. Gaworecki: "Yes I am. Thank you. I am just wondering about Herkimer Housing Authority. Are they still looking at starting a daycare?"

Christina Cain: "You are right on. They were one of our initial conversations as well but the ultimate message with them is that they had a childcare facility and they got a grant to expand it which was very exciting because every slot is to the good. When we had the conversation with Mr. Dow, when we spoke with Mr. Dow he was very excited about his project but you have to understand that those slots are targeted to the Housing Authority population as well as the fact that when they underwent their expansion they only added about four slots so you could combine our endeavor and his endeavor and we would still have plenty of room to expand so while it's all to the good it certainly doesn't solve any of the problem. It just helps mitigate the larger issue."

Mr. Gaworecki: "Thank you."

Mr. Johnson: "Mr. Stephens?"

Mr. Stephens: "Thank you Mr. Chairman. This is to Bob Schrader's point, I completely understand the user fee that you brought up Bob but just to give everybody a little bit of information from a previous political life, that's not legal to do. The City of Rochester is the only municipality in the State to charge the user fee in lieu of taxes through tax exempt properties. I know this because I had a two day conversation at the NYCOM level on this because this is something that I think the municipalities have to fight the State for. It would generate, I had come up with a proposal for the Village of Ilion the 600 tax exempt properties in village, Herkimer has way more than that for a \$500 user fee annually from each tax exempt property would generate \$300,000 of revenue to the Village of Ilion. And in easy terms it would eliminate a 10% tax increase to that operating budget. I was basically told to go on my way and it would never happen and I lobbied that for four years as the Mayor and basically was told that is falls on NYCOM and the Association of Towns to lobby that and get that in place because it's not legal at the moment as far as the law is concerned. They are tax exempt then they are tax exempt."

Mr. Johnson: "Okay. I guess we are kind of getting a little off here as far as tax exempt stuff. Jim Wallace, we are looking for a motion to move forward I guess on properties?"

Jim Wallace: "We are."

Mr. Ackerman: "Hold on. We are voting on this today? The first time we brought it to the table? I mean I thought we would get a packet with some information but I never got a price on daycare. How much is the cost to send your kid to this? Just curious what that is."

Jim Wallace: "If it make sense guys, give us approval to move forward with no commitments made until we meet maybe before the Legislative meeting on the 27th and you will have stuff to you maybe three or four days ahead of time. Does that make sense?"

Mr. Ackerman: "Yes Jim. I don't think it's a bad idea. How many other people are we impacting now with daycares? They may lose their population to go to this one."

Jim Wallace: "I don't want to get too far out there without you guys know what is going on either. You know what I mean?"

Mr. Ackerman: "I would like to know what we have out there for registered daycares right now in each community and you made reference to maybe pulling kids out of Little Falls to bring them here because it's closer to where they are going to be driving, now that impacts the person who is paying taxes on the building in Little Falls? Number two, we moved people just around the corner from that location now that we are paying rent for, because it was unsafe but now we are saying a daycare is going to be okay right around the corner from the same location. That's my concern with a couple of the things that got brought up."

Jim Wallace: "Kurt, can you say that again? I missed the second one."

Mr. Ackerman: "We took people out of the Main Street location and that was one of the concerns because the IDA, when we moved them down the street to over where they are today, partly because of there was some concern of where they were located, the noise level, the traffic and the type of people and we are now moving a daycare right around in the backyard of that. Correct?"

Jim Wallace: "Yes."

Mr. Ackerman: "Okay. So I just think there are concerns that were brought to this board at one point for one group and I'm worried about putting this daycare right in the same area. That's my concern. And two, I'm not against it, I just want to make sure that we are looking at all of this stuff because I have a problem, fast forward to next year, if something happens and they are going to say well gee, you guys listed it on the table before with Legislature, now you buy a building that's located in the same spot and you wonder why you had a problem. You know, that is a concern of mine. And I would like to know how many other daycares are in the County that we are now impacting by providing this resource. I'm not saying it's not a good one, I'm just want to make sure we are not hurting other people in the same process that are already out there paying their taxes, back to Bob's point."

Mr. Bono: "Kurt, the question I think they need to answer is how many certified daycares are there in the County?"

Mr. Ackerman: "I asked this in the beginning of the question. Also, how much are we charging here versus what everybody else is paying and if we are undercutting them? All the rest of the Legislators are going to start getting phone calls."

Jim Wallace: "Christina, can you answer that?"

Christina Cain: “Yes, I would love to, thank you. Just so everybody is aware the Cornell Childcare Counsel does an assessment of all of the licensed childcare providers in the County and in the Region on a regular basis. We are in communication with them constantly. They were a huge part of this project in getting the idea off of the ground. We have nowhere near the amount of providers that would even touch the capacity that would be needed to give childcare to every child so I would be absolutely happy to forward that to the Legislature, that most recent assessment so you can see that. It really demonstrates the huge need that is in the area. As far as the cost, there is no undercutting of costs because the State sets the rate for childcare. It’s called the market rate. You really can’t deviate which is part of why some of these daycare facilities are failing. So those things are all kind of held at a constant level. Like I said, I’m going to go ahead and forward the needs assessment that is done by the Cornell Counsel so you can really see those numbers in black and white. It’s very descriptive and if you look that over and you are still looking for specifics I am happy to give you those but I think that is a really good place to start. They are really just at a glance and can show you the need as opposed to the providers. Even just during this COVID pandemic we have lost more providers than we even had prior so things just continue to go downhill and our number of providers is just dwindling.”

Mr. Johnson: “I will speak for properties and then will let the other two Chairmen go for it. We have a motion on the floor now to move forward in Properties. Is there a second?”

Mr. Russell: “Can I ask, what is the motion?”

Mr. Shaw: “To move forward.”

Mr. Russell: “Just to move forward? Nothing waiting for information?”

Mr. Johnson: “We can move forward and Mr. Wallace can get us information for a meeting after. I’m fine with that.”

Mr. Russell: “Just trying to get what the motion is.”

Jim Wallace: “Pat, what I was hoping for was a consensus that this was a real good thing for us to move forward. I gave some thoughts on the \$300,000, talked about the \$334,000 budget and there is all kinds of other things out there. I would like to see us have another meeting before the Legislature on the 27th. Christina with all of her stuff, all the studies, all of the work that she has done on it. We can get that to you within three or four days then we would have the actual hiring of the architect, buying the building, making the commitment with the Neighborhood Center, etc. This is really for us to move forward, to get serious about it.”

Mr. Russell: “Where is the money coming from?”

Jim Wallace: “As mentioned earlier, the Daycare, operations...”

Mr. Russell: “No, I mean for the buying of the building.”

Jim Wallace: “Looking at Empire State Development and the Community Foundation.”

Mr. Russell: “All right. I did hear that correctly. Thank you.”

Jim Wallace: “That would allow us to tie those things up and come back to you guys, seriously, because if there is no interest in it we are crazy to move forward.”

Mr. Russell: "Okay, go ahead Fred."

Mr. Shaw: "We have a motion and a second. Anymore discussion."

Mr. Malta: "I have a discussion. I have a question in regards to the...I am all for the project. Sounds like a great thing for the County but I have a question. This is for the Administrator, who decided on the property that we have picked? What was the asking price for the property and are we still in discussions with the owner there?"

Jim Wallace: "Nothing has been finalized Greg. Christina went through a lengthy look throughout the whole community, in the region. We looked at Ilion Hospital, we looked all over the place guys. We looked in Little Falls, we looked in Ilion, of course Herkimer. We checked a couple sites in Frankfort. We have been looking all over the County and this seems to make the most sense."

Mr. Malta: "So we are down to \$195,000?"

Jim Wallace: "That's where we are right now, yes."

Mr. Malta: "What did they want originally?"

Jim Wallace: "Maybe go into executive session."

Mr. Malta: "It's up to you guys. I'm just wondering where we are?"

Jim Wallace: "I don't mind talking to you whenever. I think we are purchasing a piece of property, I don't want to share too much information. I want to share it with you guys of course."

Mr. Russell: "Do we have a purchase offer on it already?"

Jim Wallace: "No, absolutely not Pat."

Mr. Russell: "Then you are going to have to go into executive session if people want to know that answer."

Mr. Johnson: "Can we just send it out in an email Jim?"

Jim Wallace: "Yes, absolutely. To you guys, all seventeen of you."

Mr. Malta: "That's fine."

Jim Wallace: "I want to share the information."

Mr. Schrader: "Thank you. I will look forward to that."

Mr. Shaw: "Anymore discussion?"

Mr. Russell: "What does Ways and Means want to do? I certainly understand Mr. Schrader's concern. Is there any more discussion?"

Mr. Ackerman: “Yes, back to my statement, I’m not against moving forward as long as we are not impacting other Daycare providers, one, and two, I’m still concerned about the location after what I said about moving the IDA out of where it was. Is that a concern for anybody else?”

Mr. Bono: “Kurt, can I address that, why the IDA moved?”

Mr. Ackerman: “I know why it moved. It was in the news”

Mr. Bono: “Yes but that was the Main Street side we were worried about. You know, we had a window shot out. It wasn’t on the Prospect side. The Prospect side, you can walk down the street...”

Mr. Ackerman: “It’s the backyard of the building. If you are worried about gunfire I would think that would travel. That’s my concern.”

Mr. Bono: “But the other side of Prospect Street is a neighborhood setting. The park is behind there. It’s a quiet area of the village on that side of the street. On the main side, the street was a whole different...”

Mr. Ackerman: “I just know that was a concern.”

Mr. Bono: “I understand but that’s why. You know, the main street, we were having people come in that shouldn’t have been there, put it that way. But on the other side it is a quiet area. There is a dentist office, there is a senior housing center, there is a lawyer’s office and then go behind that and you have Myer’s park, I believe. It is conducive for, I think, a daycare.”

Mr. Russell: “Okay, is there anything else?”

Jim Wallace: “We will get you the information and please, if anyone has questions, let us know so Tim and I and Christina can track it down for you before the meeting on the 27th. The three Chairman, is it ok to set something up for 6:00 p.m. I think this probably be at least a half an hour discussion.”

All Chairman agreed.

Item #1 – On motion of Mr. Gaworecki, seconded by Mr. Bono for County Properties, on motion of Mr. Smith, seconded by Mr. Bono for Human Resources and on motion of Mr. Stephens, seconded by Mr. Bono for Ways & Means, Item #1 was voted on and approved. Yes: Johnson, Gaworecki, Keeler, Weakley, Donley, Bono, Shaw, Smith, Manno, Malta, Russell, Ackerman, Stephens (13). No: Schrader (1).

Item #2 – N/A

COUNTY PROPERTIES:

Mr. Johnson: “We have a one thing under number three on Properties. It would be the Duofold tax issue. I will do a quick thing and then I will turn it over to Lorraine. Village of Ilion did purchase the Duofold property so we made that whole and sent them a check. They weren’t supposed to get a check. The lawyer did not do a tax search. We are looking to recover our money. Fines and everything is about \$21,167.82 and today is the last day to pay if I am right, Lorraine, jump in.”

Lorraine Lewandrowski: “I will just give you a breakdown of what happened. In November of 2018 the village and the school forwarded their routine notices concerning taxes that were not paid and on the list that they sent to the County it had three properties owned by Coolidge and Associates. A couple months later in March of 2019 the County made the village whole for taxes that were owed by Coolidge. That

was on March 18th of 2019, the County sent a check which was \$365,000 and roughly \$7,500 was due from Coolidge to make the village whole but almost simultaneously, literally March 20th, the village purchased the Duofold property. There were taxes outstanding. Normally we do a tax search to see if there were taxes that were outstanding so I don't know what happened here but when they bought the property there were taxes outstanding. With taxes outstanding on any property we do our normal notice of tax foreclosure that was sent out in October of 2020. In November I asked the village to throw me a proposal. When they got the tax bill they were surprised but as of today, if they did not pay this amount the property would go into our tax sale which does not necessarily mean that we would foreclose on it in the end. We have a couple of options. One would be to work out an agreement with the village as we have done on other properties like Glory Days or Village of Dolgeville or any of those. Another one is to take the property out of the tax sale and do a Resolution saying it would not be practical to foreclose on this property and to cancel the tax lien and then charge back the money to the village. It's really a policy decision. I think during the coming months the Legislators need to give us some better direction on what they would like to do."

Mr. Johnson: "Lorraine, you are not looking for anything today is what you are saying?"

Lorraine Lewandrowski: "No, I am looking for some direction. We have time because nothing is going to be foreclosed on. The earliest anything can be taken would be in May so if we had some direction I would reach out to the village to see if they want an agreement or do you think it's better to just go with a charge back later on? It's really up to you guys."

Mr. Johnson: "Charge is just where we would take the money back?"

Lorraine Lewandrowski: "Yes."

Mr. Johnson: "Then the village would still end up having the property, they could move forward, it wouldn't affect any IDA movement or village movement development correct?"

Lorraine Lewandrowski: "Yes so it would kind of even the books out again. I didn't know. I've seen some agreements in Rob's folder but I didn't know what the Legislators wanted to do."

Mr. Johnson: "Okay. Questions on Properties."

Mr. Russell: "The village is unwilling to pay it back? Is that what I am hearing?"

Lorraine Lewandrowski: "I don't think they are. We haven't seen a check so...the deadline is today. I don't know what their view is. I could reach out to them again but I did send them an email in early November asking if they had an agreement to throw me a proposal. That was to the Village Attorney but I didn't know if you guys have contacts with the village officials so that's where I need a little direction in what you want me to do."

Mr. Johnson: "Okay. What does the committee want to do?"

Mr. Bono: "I think we should pursue it further."

Mr. Gaworecki: "I would say reach out to the village and see what they have to say."

Lorraine Lewandrowski: "At this time the foreclosures are frozen by executive order so we are in that unique situation so we do have time."

Mr. Schrader: "Can I make a motion to claw it back?"

Mr. Johnson: "Yes, you want to claw it back for school, village, town."

Mr. Schrader: "I would say yes. We've done it to other municipalities so..."

Mr. Johnson: "That we have. We did a few years back Bob. It would set a precedent in Charlie's words. I have no problem clawing it back. I will second the motion to get the money back. It was a situation I think, you know, they got it, two days later..."

Mr. Schrader: "Who was the lawyer that didn't..."

Mr. Johnson: "Mark Rose."

Mr. Schrader: "I say we try."

Mr. Johnson: "I have a motion and a second to claw it back. Do I have all in favor?"

Multiple Legislators said yes.

Mr. Johnson: "Anyone opposed? Motion passes. Are you good with that Lorraine?"

Lorraine Lewandrowski: "Yes. It won't happen immediately. They will go into the In-Rem after we complete the paperwork for the 15th with the deadline today. I will check with Kim to see if she sends out additional paperwork to the people at this point. They may contact us again. I don't know. At this point we will just go with that game plan and I will keep you guys posted if I hear anything else. Okay?"

Mr. Johnson: "Alright. Thanks Lorraine."

Mr. Bono: "So the village is just going to say take the property. It's a potential for that? Why would we take a contaminated piece of property?"

Mr. Johnson: "We are not taking it Jim, we're just going to get our money back with this year's money."

Mr. Bono: "Alright."

Lorraine Lewandrowski: "We can do a Resolution saying there is no practical way to collect the taxes and remove it from the sale but Charlie feels that we could claw back at the same time. We have never really done it so this would be the first time we have done this to my knowledge and Charlie's knowledge."

Jim Wallace: "This is a big step."

Mr. Bono: "But if this goes back to In-Rem..."

Jim Wallace: "Probably won't take it."

Mr. Johnson: "We will put it in limbo, right Jim?"

Jim Wallace: "Yes."

Mr. Bono: "Why are we doing it with all of the progress we are making on that property?"

Mr. Johnson: "We are not stopping any of the progress though Jim, we are just looking to get our money back from this year's money. We don't affect the IDA loan. Claw back is just here it is, we are going to turn it back to the village. We are just going to take the money out of their money this year."

Mr. Schrader: "Mr. Chairman and Lorraine, by us clawing it back, it doesn't give us ownership, it just gets our money back that the village still owes?"

Lorraine Lewandrowski: "Yes. That is correct. It's like an accounting adjustment down the road. I'm not sure exactly when they do their chargebacks. We did do a chargeback a long time ago and that was in the Quackenbush, the water dispute but that was kind of a unique situation. This one is a little bit different and involves a lot less money."

Mr. Schrader: "Why wouldn't the village just pay it back?"

Kim Enea: "Guys, this is Kim. Just to let you know the answer to that last question, we make the schools and villages whole in March of every year, it that helps you."

Mr. Schrader: "Kim, it's off the rolls now, correct?"

Kim Enea: "Yes."

Mr. Schrader: "We are not paying any...okay"

Mr. Stephens: "Mr. Chairman, you and I talked about this yesterday, when we say we are getting our money back, we are just holding back sales tax."

Mr. Johnson: "My assumption John, yes. We just take it out of the...I think, Jim Wallace, want to jump in on that? Or Lorraine, I'm sorry."

Lorraine Lewandrowski: "I don't do the mechanics myself. I don't know whether Kim or Jim would know better on that."

Jim Wallace: "Sales tax is an option which we have never done before."

Mr. Stephens: "So we are not asking them to physically write us a check or anything. There are other ways to do that, correct?"

Jim Wallace: "Correct. And this might give the Chairman and the Chairman of the committee a chance to sit down with the village and try a work this through because as Lorraine said, it's going to be a while before the Governor releases this kind of stuff."

Mr. Stephens: "I have the same concern as Chairman Bono that if this goes in In-Rem, and I don't think it's going to with what we are discussing, it scares me with all of the progress that has been made and I really think there is some valid people involved in this thing for that project to go forward."

Mr. Bono: "I'm just worried about the, you know, here is a village trying to do something, they took a chance and we are just, how it's going to sit with them. Ray and John and Bob Hollum, have you spoken to them? Are they good with this?"

Mr. Johnson: "I have not reached out to the Mayor. I will afterwards. Nothing is going to happen overnight Jim, now because of the mess. We can call the Mayor but if we break it down to three then we

have to go to the village, then I will have to call the school and then I am going to have to call the town. Where this way we just kind of get all three and we take it out accordingly.”

Mr. Hollum: “Mr. Chairman, I was under the impression that they were going to be okay with making good on the situation. I guess one thing that I would ask would be just go for the original amount of money that they received because right now there is interest tacked on. I think it brings the balance to like \$21,167. Originally it was like \$16,000. Between all three they received like \$16,000. I would ask that maybe use the interest as a leverage tool but keep it to the original amount.”

Mr. Johnson: “I can reach out to the Mayor this afternoon. I think he works during the day.”

Mr. Stephens: “He is not working right now Mr. Chairman. He is quarantined.”

Mr. Johnson: “So if you want guys, I can reach out to him afterwards. Talk one on one and say “Hey, we are just looking to get our money back on this and move forward on the project. You can move forward,” and see where it goes.”

Mr. Weakley: “I think that’s a good idea. I think we should hold this motion in abeyance until we figure out what other options we have because I’m kind of concerned with what Jim Bono says. I don’t want to discourage them from moving on with their progress there.”

Mr. Schrader: “Being that I made the motion, can I change the motion?”

Mr. Johnson: “Jim, can he rescind his motion?”

Jim Wallace: “You can rescind as long as nobody disagrees.”

Mr. Schrader: “Okay. I want to rescind it before I rescind it that way everyone understands why I want to rescind it. I understand what Mr. Hollum is saying, if we can just get the money back that we were originally owed, but I think that with me rescinding this motion, Ray being the Chairman of the Properties committee, that he stresses that we do have the votes to pursue taking this out of your sales tax.”

Mr. Johnson: “I will throw that in his ear when I talk with him that there are enough votes to move forward if they decide to tell us to...”

Jim Wallace: “Ray, are you okay with rescinding your motion.”

Mr. Johnson: “Yes I am Jim.”

Jim Wallace: “Anybody on the committee have a problem with us rescinding it?”

Multiple Legislators replied no.

Jim Wallace: “Thank you guys. I just wanted that for the record.”

Mr. Schrader: “To be fair to everyone and maybe can we get an agreement with the committee just to ask them for the original amount. Jim, can we put that in?”

Mr. Johnson: “Bob, let me reach out and talk with him today and see what we can come up with and then I will throw everyone an email or text and let you guys know how it turned out.”

Mr. Shaw: “Ray, a lot of these problems like this that come up is because when Lorraine notified them of what we were doing there was not response and lack of response always causes more problems.”

Mr. Johnson: “Yes. Let me reach out to Brian, talk with him and I will get back to Jim Wallace and if Jim can throw out an email to everybody or I will, and we will go from there.”

Item #3 – Discussion only. No vote taken.

Item #4 – N/A

At 11:06 a.m., on motion of Mr. Schrader, seconded by Mr. Donley, the County Properties Committee adjourned.

The Human Resources and Ways & Means Committees continued.